

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2004-272-C - ORDER NO. 2004-634  
DECEMBER 21, 2004

IN RE:	Application of NewSouth Holdings, Inc.,	)	ORDER
	NewSouth Communications Corp., and	)	APPROVING
	NuVox Communications, Inc. for Approval of	)	TRANSACTIONS
	an Internal Corporate Reorganization and for	)	
	Approval, as Necessary, of Related	)	
	Transactions.	)	

**I. INTRODUCTION**

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of NewSouth Holdings, Inc., NewSouth Communications Corp., and NuVox Communications, Inc. (collectively, the Companies) for approval of an internal corporate reorganization and for approval, if necessary, of related transactions, including a name change of NewSouth Holdings, Inc. to NuVox Communications, Inc.

The Application shows that NuVox, Inc. will be the ultimate parent company. Current end user customers of NuVox will not see any change in the existing service provider name, rates or services. Current end user customers of NewSouth will only see a name change to NuVox Communications, Inc.

Pursuant to the instructions of the Commission Staff, the Company published a Notice of Filing in newspapers in the areas of the Companies' service. No Protests or Petitions to Intervene were filed. Subsequently, the Companies filed a Motion for

Expedited Review and Waiver of Hearing, along with the verified testimony of Riley Murphy, Executive Vice President, General Counsel, and Secretary of NuVox, Inc. and its subsidiaries. We grant the Motion for Expedited Review and Waiver of Hearing, and hereby grant the relief sought in the Application, based on the testimony of Ms. Murphy.

Ms. Murphy's written testimony shows that the Companies seek authority for an internal corporate reorganization whereby the existing operating subsidiaries of NuVox, Inc. providing services in the Southeast (NuVox Communications, Inc. and NewSouth Communications Corp.) will be merged into a single operating subsidiary, NewSouth Holdings, Inc. In connection with the reorganization mergers, NewSouth Holdings, Inc. will change its name to NuVox Communications, Inc. Ms. Murphy notes that the purpose of the internal reorganization is to simplify the NuVox, Inc. corporate structure, streamline NuVox, Inc.'s operations in South Carolina, eliminate administrative redundancy and improve overall efficiency.

According to Ms. Riley, the proposed transfer of operating authority from NewSouth Communications Corp. to NuVox Communications, Inc. will have no adverse impact on customers. NuVox, Inc. will remain the parent corporation. Current NewSouth Communications Corp. retail customers will continue to receive their existing services under the same rates, terms and conditions and any future changes in the rates, terms and conditions of those services will be made consistent with Commission requirements. Further, notice of the change is to be sent to all customers at least thirty days prior to the transfer informing them of the proposed transaction and giving them an opportunity to switch to another service provider without penalty.

Finally, Ms. Riley noted that the proposed internal corporate reorganization and transfer of operating authority is in the public interest. The proposed consolidation will provide significant reductions in operational, legal, accounting and tax administrative burdens and will simplify the NuVox companies' corporate structure, eliminating administrative redundancy and improving the companies' overall efficiency thereby enhancing the company's ability to compete in South Carolina and elsewhere, according to Ms. Riley. Further, Ms. Riley stated that, over time, consumers in South Carolina will benefit from a greater number of product and service options as well as more efficient prices resulting from the enhanced competitive ability of the streamlined company.

## **II. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. The Companies seek authority for an internal corporate reorganization whereby the existing operating subsidiaries of NuVox, Inc. providing services in the Southeast (NuVox Communications, Inc. and NewSouth Communications Corp.) will be merged into a single operating subsidiary, NewSouth Holdings, Inc. In connection with the reorganization mergers, NewSouth Holdings, Inc. will change its name to NuVox Communications, Inc.

2. The purpose of the internal reorganization is to simplify the NuVox, Inc. corporate structure, streamline NuVox, Inc.'s operations in South Carolina, eliminate administrative redundancy and improve overall efficiency.

3. The transfer of operating authority from NewSouth Communications Corp. to NuVox Communications, Inc. will have no adverse impact on customers. Nuvox, Inc. will remain the parent corporation.

4. Current NewSouth Communications Corp. retail customers will continue to receive their existing services under the same rates, terms and conditions and any future changes in the rates, terms and conditions of those services will be made consistent with Commission requirements.

5. Advance written notice of the change will be sent at least 30 days in advance of the transfer to affected NuVox Communications, Inc. and NewSouth Communications Corp customers, informing them of the proposed transaction and giving them an opportunity to switch to another service provider without penalty.

6. The proposed internal corporate reorganization and transfer of operating authority is in the public interest. The proposed consolidation will provide significant reductions in operational, legal, accounting and tax administrative burdens and will simplify the NuVox companies' corporate structure, eliminating administrative redundancy and improving the companies' overall efficiency, thereby enhancing the company's ability to compete in South Carolina and elsewhere. The proposed name change is accordingly appropriate.

IT IS THEREFORE ORDERED:

1. NuVox Communications, Inc. and NewSouth Communications Corp. may be merged into a single operating subsidiary, NewSouth Holdings, Inc. The transfer of the telecommunications authorization of NuVox Communications and the tariffs of NewSouth Communications to NewSouth Holdings, Inc. is approved.

2. The name change from NewSouth Holdings, Inc. to NuVox Communications, Inc. is hereby approved. The telecommunications authorization of

NewSouth and the tariffs of NuVox Communications will be cancelled upon completion of this reorganization.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

/s/  
Randy Mitchell, Chairman

ATTEST:

/s/  
G. O'Neal Hamilton, Vice Chairman

(SEAL)